

Kunz 06-0-1569

AN ORDINANCE BY:  
COUNCILMEMBER HALL

Z-06-76

**AN ORDINANCE TO AMEND CERTAIN SECTIONS OF THE CITY OF  
ATLANTA ZONING CODE CONCERNING AFFORDABLE HOUSING  
IN THE MIDTOWN SPECIAL PUBLIC INTEREST ZONING DISTRICT  
(SPI-16); AND FOR OTHER PURPOSES.**

**WHEREAS**, the City of Atlanta Zoning Code includes provisions for the creation of zoning districts special where substantial public interest requires modification of existing zoning regulations or repeal and replacement of such regulations for the accomplishment of special public purposes for which the district was established; and

**WHEREAS**, the Midtown Special Public Interest Public District ("SPI-16") was established in part to provide a range of housing types and prices to meet different housing needs; and

**WHEREAS**, to enhance the effectiveness of intent of the SPI-16 regulations with respect to the availability of a range of housing types and prices, certain density bonuses for those new developments which provided affordable housing units were made available; and

**WHEREAS**, the density bonus regulations were the first to be adopted in the City of Atlanta and were among the first to be adopted in the State of Georgia; and

**WHEREAS**, as the City and developers began to work with these new affordable housing regulations and density bonuses, certain amendments to the language of the regulations were found to be needed in order to provide better options for development of these units and management of the deed restrictions.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA,  
HEREBY ORDAINS AS FOLLOWS:**

**Section 1:** Section 16-18P.010(2) of the Code of Ordinances, City of Atlanta, Georgia  
which now reads:

2. Affordable new sales housing units or rental housing units requirements:
  - a. See specific regulations for the affordable bonus for each subarea at Sections 16-18P.028 and 16-18P.030.
  - b. Affordable housing shall have the meaning set forth in Section 19-1006.
  - c. Affordable requirements shall be in place for a minimum of forty (40) years from the date of issuance of the occupancy permit and shall include deed restrictions governing the resale value or rental rate placed on the affordable units.
  - d. No housing unit associated with a development project for which bonus FAR calculations were applied shall be issued an occupancy permit until such time as documentation is provided to the Bureau of Buildings establishing that the affordable housing requirements have been met and have been instituted as part of the warranty

deed as an allowable exception to title for each affordable unit that is a part of said development project.

by amended to read as follows:

Affordable Workforce Housing Units: Requirements applicable to new development utilizing a density bonus made available by the provision of affordable housing units.

- a. Density Bonus: The amount of the density bonus given for each subarea is set forth at Sections 16-18P.028 and 16-18P.030.
- b. Affordable Units Defined: For the purpose of this zoning district, affordable housing units shall be defined as those units that have a maximum sales price or maximum rent consistent with moderate income housing for qualified families as such terms are set forth herein:
  - i. Maximum price is the price, adjusted for unit size on a 10% sliding scale, at which housing is actually made available to a qualified individual and which does not exceed two and one-half times median family income.
  - ii. Maximum rent is the actual rate charged to a qualified individual and which does not exceed 80% times fair market rent.
  - iii. Median family income is median income of all families of the Atlanta metropolitan statistical area according to the most recent data published from time to time by the U.S. Department of Housing and Urban Development. For the purpose of this zoning district, this income level shall be used for all income qualification determinations.
  - iv. Fair market rent is the monthly rate of rental housing cost, by bedroom size, published periodically by the United States Department of Housing and Urban Development (HUD). In the event that HUD fails to publish said data for a period of one year or more, the Commissioner of the Department of Planning and Community Development shall publish annually a set of fair market rents for new construction by adjusting the most recently published HUD data in proportion to the residential rent component of the consumer price index as published annually by the United States Department of Labor.
  - v. Qualified individual is an individual whose annual income from all sources at the time of closing of a sales contract or execution of a rental agreement does not exceed 80% of the metropolitan Atlanta median household income, as published by the United States Department of Housing and Urban Development. Prior to closing of a sales contract or

execution of a rental agreement, each qualified individual shall be required to provide proof of such individual's annual income for the prior calendar year such as W-2 forms, tax returns and similar documentation.

- c. Unit Mix, Size and Distribution: For developments for which a special administrative permit is issued after the effective date of this Section:
  - i. The mix of affordable studio, one bedroom, two bedroom, and three bedroom units shall be proportionally similar to the percentage bedroom mix in the overall development; and
  - ii. The size of each affordable unit shall not be smaller than the smallest unit for each unit type in the overall development; and
  - iii. The affordable units shall be distributed throughout the development or building.
- d. Compliance prior to Occupancy:
  - i. For Sale Units: No affordable housing unit for sale in a development project for which a density bonus was applied shall be issued an occupancy permit until such time as a development agreement is in place between the City and the applicant establishing one of the following methods as the method by which the affordable housing units are to be transferred to a qualified family or individual.
    - 1) A recorded 30 year deed restriction in form approved by the Bureau of Housing containing a covenant to sell the unit in a manner that will offer the greatest opportunity for such unit to be sold to a qualified family or individual at a price which does not exceed two and one-half times median family income.
    - 2) A development agreement containing a covenant to transfer the units built to comply with the affordable housing requirements to the Atlanta Development Authority, or other City approved administrator, at the time of closing and which specifies the use of zero percent nonrecourse loans to qualified individuals in an amount equal to the difference between the affordable housing price and the fair market price.
  - ii. For Rent Units: No affordable housing unit for rent in a development project for which a density bonus was applied shall be issued an occupancy permit until such time as a development agreement is in place between the City and the applicant establishing the specific units which are to be rented at maximum rent set forth in this subsection and agreeing only to rent such units to a qualified individual.

Section 2: This ordinance shall become effective immediately upon signature by the Mayor or by operation of law.